

*Sidley Draft 12.6.19
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Attorney Work Product*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,¹

Debtor.

Chapter 11

Case No. 19-34054 (SGJ)

NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT 1100 COMMERCE ST # 1452, DALLAS, TX 75242 BEFORE CLOSE OF BUSINESS ON DECEMBER 30, 2019, WHICH IS AT LEAST 24 DAYS FROM THE DATE OF SERVICE HEREOF.

ANY RESPONSE SHALL BE IN WRITING AND FILED WITH THE CLERK, AND A COPY SHALL BE SERVED UPON COUNSEL FOR THE MOVING PARTY PRIOR TO THE DATE AND TIME SET FORTH HEREIN. IF A RESPONSE IS FILED A HEARING MAY BE HELD WITH NOTICE ONLY TO THE OBJECTING PARTY.

IF NO HEARING ON SUCH NOTICE OR MOTION IS TIMELY REQUESTED, THE RELIEF REQUESTED SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT OR THE NOTICED ACTION MAY BE TAKEN.

**APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,
PURSUANT TO SECTIONS 328 AND 1103 OF THE BANKRUPTCY CODE
AND FEDERAL RULE OF BANKRUPTCY PROCEDURE 2014, FOR
AN ORDER APPROVING THE RETENTION AND EMPLOYMENT
OF SIDLEY AUSTIN LLP AS COUNSEL TO THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS, NUNC PRO TUNC TO OCTOBER 29, 2019**

The duly-appointed Official Committee of Unsecured Creditors (the “Committee”) in the above-captioned chapter 11 case (the “Chapter 11 Case”) of Highland Capital Management, L.P., as debtor and debtor in possession (the “Debtor”), respectfully submits its application (the “Application”) for entry of an order substantially in the form attached hereto as **Exhibit A** (the

¹ The Debtor’s last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

“Proposed Order”), pursuant to sections 328 and 1103 of Title 11 of the United States Code (the “Bankruptcy Code”), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Northern District of Texas (the “Local Rules”), authorizing the Committee to retain and employ the law firm of Sidley Austin LLP (“Sidley”) as counsel for the Committee, *nunc pro tunc* to October 29, 2019. In support of this Application, the Committee submits the declaration of Bojan Guzina, a partner of Sidley (the “Guzina Declaration”), attached hereto as **Exhibit B**, and the declaration of Eric A. Felton, in his capacity as the representative of the Chairperson of the Committee (the “Felton Declaration”), attached hereto as **Exhibit C**. In further support of this Application, the Committee respectfully represents as follows:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the Northern District of Texas (the “Court”) has jurisdiction to consider this Application pursuant to 28 U.S.C. § 1334. Venue of this proceeding and this Application is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

2. The statutory predicates for the relief requested herein are sections 328(a) and 1103(a) of the Bankruptcy Code, Bankruptcy Rule 2014, and Local Rule 2014-1.

STATUS OF THE CASE AND JURISDICTION

3. On October 16, 2019 (the “Petition Date”), the Debtor commenced a voluntary case under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “Transferor Court”). The Debtor has continued in possession of its properties and is authorized to operate its businesses and manage its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. On October 29, 2019, the United States Trustee for Region 3 (the “U.S. Trustee”) appointed the Committee pursuant to Sections 1102(a) and (b) of the Bankruptcy Code. The Committee consists of the following four (4) members: (i) Redeemer Committee of Highland Crusader Fund; (ii) Meta-e Discovery; (iii) UBS Securities LLC and UBS AG London Branch; and (iv) Acis Capital Management, L.P. and Acis Capital Management GP, LLP.

5. At a meeting held on October 29, 2019, the Committee, among other things, voted to retain Sidley as its counsel, subject to this Court’s approval. The Committee seeks to retain Sidley effective as of October 29, 2019, as Sidley began providing legal services to the Committee as of such date and has been actively advising the Committee since that date.

6. On November 1, 2019, the Committee filed its *Motion of the Official Committee of Unsecured Creditors for an Order Transferring Venue of this Case to the United States Bankruptcy Court for the Northern District of Texas* (the “Venue Motion”). At the hearing held on December 2, 2019 (the “Venue Hearing”), the Transferor Court granted the Venue Motion and the case was transferred to this Court.

RELIEF REQUESTED

7. By this Application, the Committee seeks entry of the Proposed Order authorizing the retention and employment of Sidley as its counsel in this Chapter 11 Case effective as of October 29, 2019. The Committee requests that the Court approve the Committee’s retention of Sidley in accordance with the terms and conditions set forth herein and in the Guzina Declaration.

SIDLEY’S QUALIFICATIONS

8. Sidley is a full-service law firm with a national and international presence. Sidley has more than 2,000 lawyers in twenty offices in the United States, Europe, Asia and Australia. Sidley has expertise in nearly every major substantive area of legal practice, and its clients include leading public companies and privately held businesses in a variety of industries. Sidley’s

restructuring practice is comprised of approximately fifty attorneys, plus attorneys in numerous other principal areas of practice who work on restructuring matters on a regular basis.

9. The Committee has selected Sidley to represent the Committee in this Chapter 11 Case. The Committee selected Sidley primarily because of Sidley's extensive experience in the fields of restructuring, bankruptcy and creditors' rights and, in particular, its experience representing official and ad hoc creditor committees in a number of large and complex chapter 11 reorganization cases, including In re Jack Cooper Industries, Case No. 19-62393 (PWB) (Bankr. N.D. Ga. 2019); In re Republic Airways, Inc., Case No. 16-10426 (SHL) (Bankr. S.D.N.Y. 2016); In re CHC Helicopter, Inc., Case No. 16-31854 (BJH) (Bankr. N.D. Tex. 2016); In re Genco Shipping & Trading Limited, Case No. 14-11108 (SHL) (Bankr. S.D.N.Y. 2014); In re Powerwave Technologies, Inc., Case No. 13-10134 (MFW) (Bankr. D. Del. 2013); and In re Allied Systems Holdings, Inc., Case No. 12-11564 (CSS) (Bankr. D. Del. 2012). In addition, Sidley is frequently retained to act as general restructuring counsel for debtors in complex chapter 11 cases, including in the following cases (among others): In re Legacy Reserves Inc., Case No. 19-33395 (MI) (Bankr. S.D. Tex. 2019); In re Maremont Corp., Case No. 19-10118 (KJC) (Bankr. D. Del. 2019); In re Mattress Firm, Inc., Case No. 18-12241 (CSS); (Bankr. D. Del. 2018); In re RM Holdco LLC, Case No. 18-11795 (MFW) (Bankr. D. Del. 2018); In re HCR ManorCare, Inc., Case No. 18-10467 (KG) (Bankr. D. Del. 2018); In re Key Energy Servs., Inc., Case No. 16-12306 (BLS) (Bankr. D. Del. 2016); In re UCI Int'l, LLC, Case No. 16-11354 (MFW) (Bankr. D. Del. 2016); In re LDK Solar Sys., Inc., Case No. 14-12384 (PJW) (Bankr. D. Del. 2014); In re Yarway Corp., Case No. 13-11025 (BLS) (Bankr. D. Del. 2013); In re Rodeo Creek Gold Inc., Case No. 13-50301 (MKN) (Bankr. D. Nev. 2013); and In re Lee Enters., Inc., Case No. 11-13918 (KG) (Bankr. D. Del. 2011).

SCOPE OF SIDLEY'S PROPOSED SERVICES TO THE COMMITTEE

9. Sidley is expected to render such legal services as the Committee may request in order to discharge the Committee's responsibilities and further the interests of the Committee's constituents in this Chapter 11 Case. Specifically, the Committee expects that Sidley will assist, advise and represent the Committee with respect to the following matters, without limitation:

- (a) The administration of these cases and the exercise of oversight with respect to the Debtor's affairs, including all issues relating to the Debtor, the Committee or this Chapter 11 Case;
- (b) The preparation of pleadings on behalf of the Committee, including without limitation, statements, motions, applications, memoranda, adversary complaints, objections or comments in connection with any matter related to the Debtor or this Chapter 11 Case;
- (c) The review and analysis of motions, applications, orders, statements, operating reports and schedules filed with the Court and providing advice to the Committee in connection therewith;
- (d) Appearances in Court, participation in litigation as a party-in-interest, and participation at statutory meetings of creditors to represent the interests of the Committee;
- (e) The investigation and analysis of any potential claims against the Debtor's non-debtor affiliates and other third parties;
- (f) The negotiation, formulation, drafting and confirmation of any plan or plans of reorganization or liquidation and matters related thereto;
- (g) The negotiation and evaluation of the use of cash collateral, any proposed debtor-in-possession financing, and any other potential financing alternatives;
- (h) The evaluation of any proposed restructuring support agreement and any other potential restructuring alternatives;
- (i) The analysis of any proposed employee compensation, incentive and retention payment plans, and evaluation of the propriety thereof;
- (j) Investigation of, among other things, unencumbered assets, liabilities, financial condition of the Debtor, prior transactions, and operational issues concerning the Debtor that may be relevant to this Chapter 11 Case;

- (k) The evaluation, negotiation and formulation of any proposed sale of any of the Debtor's assets, including pursuant to section 363 of the Bankruptcy Code;
- (l) Communications with the Committee's constituents in furtherance of its responsibilities including, but not limited to, communications required under section 1102 of the Bankruptcy Code; and
- (m) The performance of all of the Committee's duties and powers under the Bankruptcy Code and the Bankruptcy Rules and the performance of such other services as requested by the Committee.

10. As noted above, the Committee selected Sidley as its proposed lead counsel on October 29, 2019, and requested that Sidley immediately commence work on time-sensitive matters and promptly devote substantial resources to this Chapter 11 Case prior to the submission and approval of this Application. Since it was engaged by the Committee, Sidley, on behalf of the Committee, has been focused on, among other things: (a) conducting diligence on the Debtor's business operations; (b) reviewing the relief sought in the various "first day" and "second day" motions filed by the Debtor; (c) seeking information from the Debtor through both formal and informal discovery and information requests; (d) securing the transfer of this Case to this Court by drafting and arguing the Venue Motion; and (e) actively negotiating, and where necessary objecting to, the relief sought by the Debtor to date. Accordingly, the Committee requests approval of the Application as of the date that Sidley was retained by the Committee, October 29, 2019.

PROFESSIONAL COMPENSATION

11. Sidley intends to apply to the Court for allowance of compensation earned for professional services and reimbursement of expenses incurred in connection with this Chapter 11 Case in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any applicable orders of the Court. Sidley will also make a reasonable effort to comply with the requests for information and additional disclosures as set forth in the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11*

U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases Effective as of November 1, 2013 (the “U.S. Trustee Guidelines”), both in connection with this Application and any applications for compensation and reimbursement of expenses to be filed by Sidley in this Chapter 11 Case.

12. Sidley will charge for its legal services on an hourly basis at its ordinary and customary rates in effect on the date that such services are rendered and will seek the reimbursement of all costs and expenses incurred by Sidley in connection with its representation of the Committee. Sidley’s billing rates for attorneys and paraprofessionals who may work on this matter currently range from \$520 to \$1,250 per hour for attorneys and \$435 for paraprofessionals. The following attorneys and paraprofessionals are presently expected to have primary responsibility for providing services to the Committee (hourly billing rates noted in parentheses): Penny Reid (\$1,250); Matthew A. Clemente (\$1,275); Bojan Guzina (\$1,275); Dennis M. Twomey (\$1,275); Paige Holden Montgomery (\$1,000); Charles Persons (\$975); Alyssa Russell (\$885); Elliot Bromagen (\$775); Justin F. Song (\$775); Juliana Hoffman (\$675); Chandler Rognes (\$540); Trevor Grayeb (\$570); and David J. Lutes (\$435). The Committee anticipates that additional Sidley attorneys and paraprofessionals will provide services to the Committee as necessary.²

13. Sidley’s hourly billing rates are designed to fairly compensate Sidley for the work of its attorneys and paraprofessionals and to cover fixed and routine expenses. These hourly rates vary with the experience and seniority of each professional and are subject to periodic adjustments to reflect economic and other conditions,³ with the hourly rate charged being the hourly rate in

² Sidley does not anticipate using contract attorneys during this Chapter 11 Case. Nevertheless, in the unlikely event that it becomes necessary to use contract attorneys, Sidley will not charge a markup with respect to fees billed by such attorneys. Moreover, any contract attorneys or non-attorneys who are employed in connection with work performed by Sidley will be subject to conflict checks and disclosures in accordance with the Bankruptcy Code.

³ For example, like many of its peer law firms, Sidley increases the hourly billing rate of attorneys and paraprofessionals annually in the form of (a) step increases historically awarded in the ordinary course on the basis of advancing seniority and promotion and (b) periodic increases within each attorney’s and paraprofessional’s current level of seniority. The step increases do not constitute “rate increases” (as that term is used in the U.S. Trustee Guidelines). As set forth in the Proposed Order, Sidley will provide ten business days’ notice to the Debtors, the

effect on the date that the services are performed. In all appropriate circumstances, Sidley will employ the services of associates and paraprofessionals having lower hourly rates in order to minimize administrative expenses to the Debtor's estate. In addition, Sidley and the Committee have agreed to a ten percent (10%) reduction of Sidley's standard hourly billing rates for this engagement.

14. In addition to the hourly rates set forth above, Sidley customarily charges its clients for the variable costs and expenses incurred in connection with its services, including mail and express mail charges, special- and hand-delivery charges, photocopying charges, travel expenses, transcription costs, expenses for "working meals," computerized research costs, and charges and fees of outside vendors, consultants and service providers. Sidley does not charge its clients for incoming or outgoing facsimile transmissions.

SIDLEY'S DISINTERESTEDNESS

15. As described in the Guzina Declaration, in connection with its proposed retention by the Committee in this Chapter 11 Case, Sidley conducted a search of its electronic conflicts database with respect to the Debtor and a list of potential parties in interest in these chapter 11 cases (collectively, the "Potential Parties in Interest"). The Potential Parties in Interest and the results of the conflicts search are set forth on Schedule 1 and Schedule 2 to the Guzina Declaration, respectively. As disclosed in the Guzina Declaration, (a) Sidley is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code and does not hold or represent an interest adverse to the Debtor's estate and (b) has no connection to the Debtor, its creditors, or other parties in interest, except as may be disclosed in the Guzina Declaration.

Office of the United States Trustee for the Northern District of Texas (the "U.S. Trustee"), and the Committee before implementing any periodic increases and shall file such notice with the Court.

16. Given the large number of parties in interest in this Chapter 11 Case and because the information on **Schedule 1** may change during the pendency of this Chapter 11 Case, Sidley is not able conclusively to identify all relationships or potential relationships with all creditors or other parties in interest in this Chapter 11 Case. If any new relevant facts or relationships are discovered or arise, Sidley will use reasonable efforts to identify such further developments and will promptly file a supplemental declaration, as required by Bankruptcy Rule 2014(a).

BASIS FOR RELIEF

17. The Committee seeks to retain Sidley as its counsel in accordance with sections 328(a) and 1103 of the Bankruptcy Code. Section 328(a) authorizes a committee appointed under section 1102 of the Bankruptcy Code, with the court's approval, to employ a "professional person under section 327 or 1103 of this title, as the case may be, on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis." 11 U.S.C. § 328(a). Section 1103, in turn, requires that an attorney employed to represent a committee "may not, while employed by such committee, represent any other entity having an adverse interest in connection with the case." 11 U.S.C. § 1103.

18. The Committee submits that for all of the reasons stated above and in the Guzina Declaration, the retention and employment of Sidley as counsel to the Committee should be approved under sections 328(a) and 1103. Further, as described in the Guzina Declaration, Sidley does not represent any entity in connection with this Chapter 11 Case other than the Committee, is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code, and does not represent or hold any interest adverse to the Debtor's estates.

NOTICE

19. Sidley has provided notice of this Application to: (i) the Debtor, (ii) the U.S. Trustee, and (iii) any party that has requested notice pursuant to Local Rule 2002-1 as of the date

of this Application. A copy of this Application is also available on the website of the Debtor's notice and claims agent at <https://www.kccllc.net/hcmlp/>. In light of the nature of the relief requested herein, the Committee respectfully submit that no further notice is required.

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WHEREFORE the Committee respectfully requests that the Court enter the Proposed Order, substantially in the form attached hereto as Exhibit A, granting the relief requested herein and granting such other and further relief as the Court deems just and proper.

Dated: December 6, 2019
Chicago, Illinois

THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF HIGHLAND CAPITAL
MANAGEMENT, L.P.

By: Redeemer Committee of the Highland Crusader
Fund, in its capacity as Chairperson of the Committee

By: 

Name: Eric A. Felton

EXHIBIT A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,¹

Debtor.

Chapter 11

Case No. 19-34054 (SGJ)

**ORDER AUTHORIZING THE RETENTION AND EMPLOYMENT OF SIDLEY
AUSTIN LLP AS COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS *NUNC PRO TUNC* TO OCTOBER 29, 2019**

Upon the application (the “Application”)² of the Committee in the above-captioned Chapter 11 Case for entry of an order, pursuant to sections 328 and 1103 of Title 11 of the

¹ The Debtor’s last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Application.

Bankruptcy Code, Bankruptcy Rule 2014 and Local Rule 2014-1, authorizing the Committee to retain and employ Sidley as counsel for the Committee *nunc pro tunc* to October 29, 2019; and the Court being satisfied, based on the representations made in the Application and the Guzina Declaration, that Sidley is a “disinterested person” as defined in section 101(14) of the Bankruptcy Code and is qualified to represent the Committee; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and consideration of the Application and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and appropriate notice of and the opportunity for a hearing on the Application having been given; and the Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Application is GRANTED as set forth herein.
2. The Committee is authorized to retain and employ Sidley as its attorneys, *nunc pro tunc* to October 29, 2019, in accordance with the terms and conditions set forth in the Application.
3. Sidley shall apply for compensation earned for professional services rendered and reimbursement of expenses incurred in connection with the Chapter 11 Case in compliance with sections 330 and 331 of the Bankruptcy Code and the applicable provisions of the Bankruptcy Rules, the Local Rules and any other applicable procedures and orders of the Court. Sidley shall also make a reasonable effort to comply with the requests for information and additional disclosures as set forth in the U.S. Trustee Guidelines, both in connection with the Application and all applications for compensation and reimbursement of expenses that may be filed by Sidley.
4. The Committee and Sidley are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

5. Sidley shall provide ten (10) days' notice to the Debtor and the U.S. Trustee prior to the implementation of any increases in the hourly billing rates as set forth in the Application, and such notice must be filed with the Court.

6. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

7. This Court shall retain exclusive jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

End of Order

EXHIBIT B

Guzina Declaration

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,¹

Debtor.

Chapter 11

Case No. 19-34054 (SGJ)

**DECLARATION OF BOJAN GUZINA IN SUPPORT OF APPLICATION OF
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, PURSUANT TO
SECTIONS 328 AND 1103 OF THE BANKRUPTCY CODE AND FEDERAL RULE
OF BANKRUPTCY PROCEDURE 2014, FOR AN ORDER APPROVING THE
RETENTION AND EMPLOYMENT OF SIDLEY AUSTIN LLP AS COUNSEL TO
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

BOJAN GUZINA makes this declaration under 28 U.S.C. § 1746, and states the following:

1. I am an attorney at law and in good standing to practice in the State of Illinois and before the United States District Court for the Northern District of Illinois.
2. I am a partner of the law firm of Sidley Austin LLP ("Sidley"), located at One South Dearborn Street, Chicago, IL 60603.
3. I submit this declaration (the "Declaration") in support of the application (the "Application")² of the Official Committee of Unsecured Creditors (the "Committee") in the Chapter 11 Case of the above-captioned Debtor for entry of an order authorizing the retention and employment of Sidley as counsel to the Committee, *nunc pro tunc* to October 29, 2019.
4. Unless otherwise stated in this Declaration, I have personal knowledge of the facts set forth herein.

¹ The Debtor's last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

SCOPE OF SIDLEY'S PROPOSED SERVICES TO THE COMMITTEE

5. Sidley is expected to render such legal services as the Committee may request in order to discharge the Committee's responsibilities and further the interests of the Committee's constituents in this Chapter 11 Case. Specifically, the Committee expects that Sidley will assist, advise and represent the Committee with respect to the following matters, without limitation:

- (a) The administration of these cases and the exercise of oversight with respect to the Debtor's affairs including all issues relating to the Debtor, the Committee or this Chapter 11 Case;
- (b) The preparation of pleadings on behalf of the Committee, including without limitation, statements, motions, applications, memoranda, adversary complaints, objections or comments in connection with any matter related to the Debtor or this Chapter 11 Case;
- (c) The review and analysis of motions, applications, orders, statements, operating reports and schedules filed with the Court and providing advice to the Committee in connection therewith;
- (d) Appearances in Court, participation in litigation as a party-in-interest, and participation at statutory meetings of creditors to represent the interests of the Committee;
- (e) The investigation and analysis of any potential claims against the Debtor's non-debtor affiliates and other third parties;
- (f) The negotiation, formulation, drafting and confirmation of any plan or plans of reorganization or liquidation and matters related thereto;
- (g) The negotiation and evaluation of the use of cash collateral, any proposed debtor-in-possession financing and any other potential financing alternatives;
- (h) The evaluation of any proposed restructuring support agreement and any other potential restructuring alternatives;
- (i) The analysis of any proposed employee compensation, incentive and retention payment plans, and evaluation of the propriety thereof;
- (j) Investigation of, among other things, unencumbered assets, liabilities, financial condition of the Debtor, prior transactions, and operational issues concerning the Debtor that may be relevant to this Chapter 11 Case;

- (k) The evaluation, negotiation and formulation of any proposed sale of any of the Debtor's assets, including pursuant to section 363 of the Bankruptcy Code;
- (l) Communications with the Committee's constituents in furtherance of its responsibilities including, but not limited to, communications required under section 1102 of the Bankruptcy Code; and

The performance of all of the Committee's duties and powers under the Bankruptcy Code and the Bankruptcy Rules and the performance of such other services as requested by the Committee

6. As noted above, the Committee selected Sidley as its proposed lead counsel on October 29, 2019, and requested that Sidley immediately commence work on time-sensitive matters and promptly devote substantial resources to this Chapter 11 Case prior to the submission and approval of this Application. Since it was engaged by the Committee, Sidley, on behalf of the Committee, has been focused on, among other things: (a) conducting diligence on the Debtor's business operations; (b) reviewing the relief sought in the various "first day" and "second day" motions filed by the Debtor; (c) seeking information from the Debtor through both formal and informal discovery and information requests; and (d) actively negotiating, and where necessary objecting to, the relief sought by the Debtor to date. Accordingly, the Committee requests approval of the Application as of the date that Sidley was retained by the Committee, October 29, 2019.

PROFESSIONAL COMPENSATION

7. Sidley intends to apply to the Court for allowance of compensation earned for professional services and reimbursement of expenses incurred in connection with this Chapter 11 Case in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any applicable orders of the Court. Sidley will also make a reasonable effort to comply with the requests for information and additional disclosures as set forth in the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases* Effective as of November 1, 2013 (the

“U.S. Trustee Guidelines”), both in connection with this Application and any applications for compensation and reimbursement of expenses to be filed by Sidley in this Chapter 11 Case.

8. Sidley will charge for its legal services on an hourly basis at its ordinary and customary rates in effect on the date that such services are rendered and will seek the reimbursement of all costs and expenses incurred by Sidley in connection with its representation of the Committee. Sidley’s billing rates for attorneys and paraprofessionals who may work on this matter currently range from \$520 to \$1,250 per hour for attorneys and \$435 for paraprofessionals. The following attorneys and paraprofessionals are presently expected to have primary responsibility for providing services to the Committee (hourly billing rates noted in parentheses): Penny Reid (\$1,250); Matthew A. Clemente (\$1,275); Bojan Guzina (\$1,275); Dennis M. Twomey (\$1,275); Paige Holden Montgomery (\$1,000); Charles Persons (\$925); Alyssa Russell (\$885); Elliot Bromagen (\$775); Justin F. Song (\$775); Juliana Hoffman (\$675); Chandler Rognes (\$540); Trevor Grayeb (\$570); and David J. Lutes (\$435). The Committee anticipates that additional Sidley attorneys and paraprofessionals will provide services to the Committee as necessary.³

9. Sidley’s hourly billing rates are designed to fairly compensate Sidley for the work of its attorneys and paraprofessionals and to cover fixed and routine expenses. These hourly rates vary with the experience and seniority of each professional and are subject to periodic adjustments to reflect economic and other conditions,⁴ with the hourly rate charged being the hourly rate in

³ Sidley does not anticipate using contract attorneys during this Chapter 11 Case. Nevertheless, in the unlikely event that it becomes necessary to use contract attorneys, Sidley will not charge a markup with respect to fees billed by such attorneys. Moreover, any contract attorneys or non-attorneys who are employed in connection with work performed by Sidley will be subject to conflict checks and disclosures in accordance with the Bankruptcy Code.

⁴ For example, like many of its peer law firms, Sidley increases the hourly billing rate of attorneys and paraprofessionals annually in the form of (a) step increases historically awarded in the ordinary course on the basis of advancing seniority and promotion and (b) periodic increases within each attorney’s and paraprofessional’s current level of seniority. The step increases do not constitute “rate increases” (as that term is used in the U.S. Trustee Guidelines). As set forth in the Proposed Order, Sidley will provide ten business days’ notice to the Debtors, the Office of the United States Trustee for the Northern District of Texas (the “U.S. Trustee”), and the Committee before implementing any periodic increases and shall file such notice with the Court.

effect on the date that the services are performed. In all appropriate circumstances, Sidley will employ the services of associates and paraprofessionals having lower hourly rates in order to minimize administrative expenses to the Debtor's estate. In addition, Sidley and the Committee have agreed to a ten percent (10%) reduction of Sidley's standard hourly billing rates for this engagement.

10. In addition to the hourly rates set forth above, Sidley customarily charges its clients for the variable costs and expenses incurred in connection with its services, including mail and express mail charges, special- and hand-delivery charges, photocopying charges, travel expenses, transcription costs, expenses for "working meals," computerized research costs, and charges and fees of outside vendors, consultants and service providers. Sidley does not charge its clients for incoming or outgoing facsimile transmissions.

SIDLEY'S DISINTERESTEDNESS

11. As described in this Declaration, in connection with its proposed retention by the Committee in this Chapter 11 Case, Sidley conducted a search of its electronic conflicts database with respect to the Debtor and a list of potential parties in interest in these chapter 11 cases (collectively, the "Potential Parties in Interest"). The Potential Parties in Interest and the results of the conflicts search are set forth on **Schedule 1** and **Schedule 2** to this declaration, respectively.

(a) Sidley is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code and does not hold or represent an interest adverse to the Debtor's estate and (b) has no connection to the Debtor, their creditors, or other parties in interest, except as may be disclosed in Schedule 1 and Schedule 2.

12. Given the large number of parties in interest in this Chapter 11 Case and because the information on **Schedule 1** may change during the pendency of this Chapter 11 Case, Sidley is not able conclusively to identify all relationships or potential relationships with all creditors or other parties in interest in this Chapter 11 Case. If any new relevant facts or relationships are discovered or arise, Sidley will use reasonable efforts to identify such further developments and will promptly file a supplemental declaration, as required by Bankruptcy Rule 2014(a).

AFFIRMATIVE STATEMENT OF DISINTERESTEDNESS

13. To the best of my knowledge, based on the conflicts searches conducted to date and as described in detail on Schedule 2, it appears that Sidley (a) does not hold or represent an interest that is adverse to the Committee, the Debtor or the Debtor's estate, (b) is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code, and (c) does not hold or represent any interest adverse to and has no connection with the Committee, the Debtor, their creditors, the U.S. Trustee for Region 6 or any party-in-interest in this Chapter 11 Case, subject to the disclosures set forth in this Declaration, including Schedule 2. Also, Sidley does not and will not in the future represent any entities other than the Committee in matters directly related to this Chapter 11 Case.

* * * *

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Dated: December 6, 2019

/s/ Bojan Guzina

Bojan Guzina

Partner

Sidley Austin LLP

Schedule 1

Potential Parties in Interest

Debtor

Highland Capital Management L.P.

Professionals

Bradley Sharp
Development Specialists, Inc.
Kurtzman Carson Consultants LLC
Pachulski Stang Ziehl & Jones LLP
Jenner & Block
Morris, Nichols, Arsht & Tunnel LLP
Morrison Cohen LLP
Latham & Watkins LLP
Richards Layton & Finger
Winstead PC
Rogge Dunn Group, PC
Blank Rome LLP
FTI Consulting
Young Conaway Stargatt & Taylor
Reid Collins Tsai
Deloitte
Price Waterhouse Coopers
Maples (Cayman)
Bell Nunnally
Rowlett Hill Collins LLP
Anderson Mori & Tomotsune
Culhane Meadows PLLC
Kim & Chang
Willkie Farr & Gallagher LLP
Wilmer Hale
Carey Olsen
ASW Law
Eric Felton
Morris, Nichols, Arsht & Tunnell LLP
Morrison Cohen LLP
Latham & Watkins LLP
Richards Layton & Finger
Winstead PC
Rogge Dunn Group, PC
Blank Rome LLP

Top 20 Unsecured Creditors

Acis Capital Management GP, LLC
Acis Capital Management, LP
American Arbitration Association
Andrews Kurth LLP
Bates White, LLC

Boies, Schiller & Flexner LLP
CLO Holdco, Ltd
Connolly Gallagher LLP
Debevoise & Plimpton LLP
DLA Piper US LLP
Duff & Phelps, LLC
Foley Gardere
Joshua & Jennifer Terry
Lackey Hershman LLP
McKool Smith, PC
Meta-e Discovery LLC
NWCC, LLC
Patrick Daugherty
Redeemer Committee of the Highland
Crusader Fund
Reid Collins & Tsai LLP
UBS AG, London Branch
UBS Securities LLC

Equity Security Holders

Atlas IDF GP LLC
Beacon Mountain LLC
Crown Global Insurance Company
Hunter Mountain Investment Trust
James Dondero
John Honia
Mark K. Okada
Rand PE Fund Management LLC
Strand Advisors, Inc.
The Dugaboy Investment Trust
The Mark and Pamela Okada Family Trust

Affiliated Parties

Acis CLO Management GP, LLC
Acis Management Holdings, LP
Acis CLO Management Intermediate
Holdings I, LLC
Acis CLO Management Intermediate
Holdings II, LLC
Acis CLO Management, LLC
Acis SMOA Trust
Advisory Equity Group LLC
Argentina Funds
Asbury Holdings, LLC
Castle Bio Manager, LLC

De Kooning, Ltd
 Eagle Equity Advisors, LLC
 Eames, Ltd
 Falcon E&P Opportunities Fund GP LLC
 Governance Ltd
 Governance RE Ltd
 Gunwale LLC
 HCF Funds
 HCMS Falcon GP LLC
 HCRE Partners, LLC
 HCREFI Holding Corp.
 HCREFI-XI Holding Corp.
 HCREFI-XII Holding Corp.
 HE Capital Fox Trails, LLC
 HE Capital, LLC
 HE Mezz Fox Trails, LLC
 HE Peoria Place Property, LLC
 HE Peoria Place, LLC
 HFP CDO Construction Corp.
 HFP GP, LLC
 Highland Argentina Regional Opportunity
 Fund GP, LLC
 Highland Brasil, LLC
 Highland Capital Insurance Solutions, GP,
 LLC
 Highland Capital Management (Singapore)
 Pte Ltd
 Highland Capital Management Korea
 Limited
 Highland Capital Management Services Inc.
 Highland Capital Multi-Strategy Fund, LP
 Highland Capital of New York
 Highland Capital Special Allocation, LLC
 Highland CDO Holding Company
 Highland CDO Opportunity Fund GP, LP
 Highland CDO Opportunity GP, LLC
 Highland CLO Assets Holdings Limited
 Highland CLO Holdings Ltd
 Highland CLO Management, Ltd
 Highland Crusader Fund
 Highland Dynamic Income Fund GP, LLC
 Highland Employee Retention Assets LLC
 Highland ERA Management, LLC
 Highland Financial Corp.
 Highland Financial Partners, LP
 Highland Fund Holdings, LLC

Highland HCF Advisor Ltd
 Highland Latin America Consulting, Ltd
 Highland Latin America GP, Ltd
 Highland Latin America LP, Ltd
 Highland Latin America Trust
 Highland Multi Strategy Credit Fund GP,
 LP
 Highland Multi Strategy Credit Fund, LP
 Highland Multi Strategy Credit GP, LLC
 Highland Multi-Strategy Fund GP, LLC
 Highland Multi-Strategy Fund GP, LP
 Highland Multi-Strategy Master Fund, LP
 Highland Multi-Strategy Onshore Master
 SubFund II, LLC
 Highland Multi-Strategy Onshore Master
 SubFund, LLC
 Highland Receivables Finance I, LLC
 Highland Restoration Capital Partners GP,
 LLC
 Highland Select Equity GP, LLC
 Highland Select Equity Master Fund, LP
 Highland Special Opportunities Holding
 Company
 Highland SunBridge GP, LLC
 Hirst, Ltd
 Hockner, Ltd
 Lautner, Ltd
 Maple Avenue Holdings, LLC
 Neutra, Ltd
 NexAnnuity Holdings Inc.
 NexBank Capital Inc.
 NexBank Securities Inc.
 NexBank SSB
 NexBank Wealth Advisors
 NexPoint Advisors GP LLC
 NexPoint Capital Inc.
 NexPoint Funds
 NexPoint Insurance Distributors, LLC
 NexPoint Insurance Solutions GP, LLC
 NexPoint Insurance Solutions, LP
 NexPoint Real Estate Advisors GP, LLC
 NexPoint Securities Inc.
 NHT Holdco, LLC
 NREA SE MF Holdings, LLC
 NREA SE MF Investment Co. LLC
 NREA SE Multifamily, LLC

NREA SE1 Andros Isles Leaseco, LLC
 NREA SE1 Andros Isles Manager, LLC
 NREA SE1 Arborwalk Leaseco, LLC
 NREA SE1 Arborwalk Manager, LLC
 NREA Se1 Towne Crossing Leaseco, LLC
 NREA SE1 Towne Crossing Manager, LLC
 NREA SE1 Walker Ranch Leaseco, LLC
 NREA SE1 Walker Ranch Manager, LLC
 NREA SE2 Hidden Lake Leaseco, LLC
 NREA SE2 Hidden Lake Manager, LLC
 NREA SE2 Vista Ridge Leaseco, LLC
 NREA SE2 Vista Ridge Manager, LLC
 NREA SE2 West Place Leaseco, LLC
 NREA SE2 West Place Manager, LLC
 NREA SE 3 Arboleda Leaseco, LLC
 NREA SE3 Arboleda Manager, LLC
 NREA SE3 Fairways Leaseco, LLC
 NREA SE3 Fairways Manager, LLC
 NREA SE3 Grand Oasis Leaseco, LLC
 NREA SE3 Grand Oasis Manager, LLC
 NREA Southeast Portfolio One Manager, LLC
 NREA Southeast Portfolio Three Manager, LLC
 NREA Southeast Portfolio Two Manager, LLC
 Oldenburg, Ltd
 Penant Management LP
 Pershing LLC
 PetroCap Inventive Partners III, LP
 Pollack, Ltd
 SE Battleground Park, LLC
 SE Glenview, LLC
 SE Governors Green II, LLC
 SE Gulfstream Isles GP, LLC
 SE Gulfstream Isles LP, LLC
 SE Heights at Olde Towne, LLC
 SE Lakes at Renaissance Park GP I, LLC
 SE Lakes at Renaissance Park GP II, LLC
 SE Lakes at Renaissance Park LP, LLC
 SE Multifamily Holdings LLC
 SE Multifamily REIT Holdings LLC
 SE Myrtles at Olde Towne, LLC
 SE Quail Landing, LLC
 SE River Walk, LLC
 SE SM, Inc.

SE Stoney Ridge II, LLC
 SE Victoria Park, LLC
 SH Castle BioSciences, LLC
 Spiritus Life Inc.
 Starck, Ltd.
 Stonebridge PEF
 Strand Advisors XVL Inc.
 The Dondero Insurance Rabbi Trust
 The Ohio State Life Insurance Company
 The Okada Insurance Rabbi Trust
 Thread 55 LLC
 Tihany, Ltd
 Tricor Business Outsourcing
 US Gaming SPV, LLC
 US Gaming, LLC
 Warhol, Ltd
 Wright, Ltd

Other Parties

11 Estates Lane, LLC
 1110 Waters, LLC
 140 Albany, LLC
 1525 Dragon, LLC
 17720 Dickerson, LLC
 1905 Wylie LLC
 2006 Milam East Partners GP, LLC
 2006 Milam East Partners, L.P.
 201 Tarrant Partners, LLC
 2014 Corpus Weber Road LLC
 2325 Stemmons HoldCo, LLC
 2325 Stemmons Hotel Partners, LLC
 2325 Stemmons TRS, Inc.
 300 Lamar, LLC
 3409 Rosedale, LLC
 3801 Maplewood, LLC
 3801 Shenandoah, L.P.
 3820 Goar Park LLC
 400 Seaman, LLC
 401 Ame, L.P.
 4201 Locust, L.P.
 4312 Belclaure, LLC
 5833 Woodland, L.P.
 5906 DeLoache, LLC
 5950 DeLoache, LLC
 7758 Ronnie, LLC
 7759 Ronnie, LLC
 AA Shotguns, LLC
 Aberdeen Loan Funding, Ltd.
 Acis CLO 2017-7 Ltd

Acis CLO Trust
 Allenby, LLC
 Allisonville RE Holdings, LLC
 AM Uptown Hotel, LLC
 Apex Care, L.P.
 Ascendant Advisors
 Asury Holdings, LLC (fka HCSLR Camelback Investors (Delaware), LLC)
 Atlas IDF LP
 Atlas IDF, LP
 Baylor University
 BB Votorantim Highland Infrastructure, LLC
 BDC Toys Holdco, LLC
 BH Willowdale Manager, LLC
 Big Spring Partners, LLC
 Bloomdale, LLC
 Brentwood CLO, Ltd.
 Brentwood Investors Corp.
 Bristol Bay Funding Ltd.
 C-1 Arbors, Inc.
 C-1 Cutter's Point, Inc.
 C-1 Eaglecrest, Inc.
 C-1 Silverbrook, Inc.
 Cabi Holdco GP, LLC
 Cabi Holdco I, Ltd.
 Cabi Holdco, L.P.
 Camelback Residential Investors, LLC (fka Sevilla Residential Partners, LLC)
 Camelback Residential Partners, LLC
 Capital Real Estate - Latitude, LLC
 Castle Bio, LLC
 CG Works, Inc. (fka Common Grace Ventures, Inc.)
 Claymore Holdings, LLC
 Concord Management, LLC
 Corbusier, Ltd.
 CP Equity Hotel Owner, LLC
 CP Equity Land Owner, LLC
 CP Equity Owner, LLC
 CP Hotel TRS, LLC
 CP Land Owner, LLC
 CP Tower Owner, LLC
 Crossings 2017 LLC
 Crown Global Insurance Company
 Dallas Cityplace MF SPE Owner LLC
 Dallas Lease and Finance, L.P.
 DFA/BH Autumn Ridge, LLC
 Dolomiti, LLC
 DrugCrafters, L.P.
 Dugaboy Management, LLC
 Dugaboy Project Management GP, LLC

Dustin Norris
 Eastland CLO, Ltd.
 Eastland Investors Corp.
 EDS Legacy Heliport, LLC
 EDS Legacy Partners Owner, LLC
 EDS Legacy Partners, LLC
 Entegra Strat Superholdco, LLC
 Entegra-FRO Holdco, LLC
 Entegra-FRO Superholdco, LLC
 Entegra-HOCF Holdco, LLC
 Entegra-NHF Holdco, LLC
 Entegra-NHF Superholdco, LLC
 Entegra-RCP Holdco, LLC
 Estates on Maryland Holdco, LLC
 Estates on Maryland Owners SM, Inc.
 Estates on Maryland Owners, LLC
 Estates on Maryland, LLC
 Falcon E&P Four Holdings, LLC
 Falcon E&P One, LLC
 Falcon E&P Opportunities Fund GP LLC
 Falcon E&P Opportunities Fund, L.P.
 Falcon E&P Opportunities GP, LLC
 Falcon E&P Royalty Holdings, LLC
 Falcon E&P Six, LLC
 Falcon E&P Two, LLC
 Falcon Four Midstream, LLC
 Falcon Four Upstream, LLC
 Falcon Incentive Partners GP, LLC
 Falcon Incentive Partners, LP
 Falcon Six Midstream, LLC
 Fix Asset Management
 Flamingo Vegas Holdco, LLC (fka Cabi Holdco, LLC)
 Four Rivers Co-Invest, L.P.
 Frank Waterhouse
 FRBH Abbington SM, Inc.
 FRBH Abbington, LLC
 FRBH Arbors, LLC
 FRBH Beechwood SM, Inc.
 FRBH Beechwood, LLC
 FRBH C1 Residential, LLC
 FRBH Courtney Cove SM, Inc.
 FRBH Courtney Cove, LLC
 FRBH CP, LLC
 FRBH Duck Creek, LLC
 FRBH Eaglecrest, LLC
 FRBH Edgewater JV, LLC
 FRBH Edgewater Owner, LLC
 FRBH Edgewater SM, Inc.
 FRBH JAX-TPA, LLC
 FRBH Nashville Residential, LLC

FRBH Regatta Bay, LLC
 FRBH Sabal Park SM, Inc.
 FRBH Sabal Park, LLC
 FRBH Silverbrook, LLC
 FRBH Timberglen, LLC
 FRBH Willow Grove SM, Inc.
 FRBH Willow Grove, LLC
 FRBH Woodbridge SM, Inc.
 FRBH Woodbridge, LLC
 Freedom C1 Residential, LLC
 Freedom Duck Creek, LLC
 Freedom Edgewater, LLC
 Freedom JAX-TPA Residential, LLC
 Freedom La Mirage, LLC
 Freedom LHV LLC
 Freedom Lubbock LLC
 Freedom Miramar Apartments, LLC
 Freedom Sandstone, LLC
 Freedom Willowdale, LLC
 FRM Investment Management
 Fundo de Investimento em Direitos Creditórios
 BB Votorantim Highland Infraestrutura
 G&E Apartment REIT The Heights at Olde
 Towne, LLC
 G&E Apartment REIT The Myrtles at Olde
 Towne, LLC
 GAF REIT, LLC
 GAF Toys Holdco, LLC
 Gardens of Denton II, L.P.
 Gardens of Denton III, L.P.
 Gleneagles CLO, Ltd.
 Governance Ltd.
 Governance Re, Ltd.
 Governance, Ltd.
 Grayson CLO, Ltd.
 Grayson Investors Corp.
 Greenbriar CLO, Ltd.
 Grosvenor Capital Management, L.P.
 Hakusan, LLC
 Hammark Holdings LLC
 Hampton Ridge Partners, LLC
 Harko, LLC
 Haverhill Acquisition Co., LLC
 Haygood, LLC
 HCBH 11611 Ferguson, LLC
 HCBH Buffalo Pointe II, LLC
 HCBH Buffalo Pointe III, LLC
 HCBH Buffalo Pointe, LLC
 HCBH Hampton Woods SM, Inc.
 HCBH Hampton Woods, LLC
 HCBH Overlook SM, Inc.

HCBH Overlook, LLC
 HCBH Rent Investors, LLC
 HCF Funds
 HCMS Falcon GP, LLC
 HCMS Falcon, L.P.
 HCO Holdings, LLC
 HCOF Preferred Holdings, LP
 HCOF Preferred Holdings, Ltd.
 HCRE 1775 James Ave, LLC
 HCRE Addison TRS, LLC
 HCRE Addison, LLC (fka HWS Addison, LLC)
 HCRE Hotel Partner, LLC (fka HCRE HWS
 Partner, LLC)
 HCRE Las Colinas TRS, LLC
 HCRE Las Colinas, LLC (fka HWS Las
 Colinas, LLC)
 HCRE Partners, LLC
 HCRE Plano TRS, LLC
 HCRE Plano, LLC (fka HWS Plano, LLC)
 HCREF-II Holding Corp.
 HCREF-III Holding Corp.
 HCREF-IV Holding Corp.
 HCREF-IX Holding Corp.
 HCREF-V Holding Corp.
 HCREF-VI Holding Corp.
 HCREF-VII Holding Corp.
 HCREF-VIII Holding Corp.
 HCREF-XIII Holding Corp.
 HCREF-XIV Holding Corp.
 HCREF-XV Holding Corp.
 HCSLR Camelback Investors (Cayman), Ltd.
 HCSLR Camelback, LLC
 HE 41, LLC
 HE Capital 232 Phase I Property, LLC
 HE Capital 232 Phase I, LLC
 HE Capital Asante, LLC
 HE Capital KR, LLC
 HE CLO Holdco, LLC
 HE Mezz KR, LLC
 Heron Pointe Investors, LLC
 HFP Asset Funding II, Ltd.
 HFP Asset Funding III, Ltd.
 HFRO Sub, LLC
 Hibiscus HoldCo, LLC
 Highland - First Foundation Income Fund
 Highland 401(k) Plan
 Highland Argentina Regional Opportunity Fund,
 L.P.
 Highland Argentina Regional Opportunity Fund,
 Ltd.

Highland Argentina Regional Opportunity Master Fund, L.P.
 Highland Capital Brasil Gestora de Recursos (fka Highland Brasilinvest Gestora de Recursos, LTDA; fka HBI Consultoria Empresarial, LTDA)
 Highland Capital Insurance Solutions GP LLC
 Highland Capital Insurance Solutions LP
 Highland Capital Management AG (Highland Capital Management SA) (Highland Capital Management Ltd)
 Highland Capital Management Fund Advisors, L.P. (fka Pyxis Capital, L.P.)
 Highland Capital Management Latin America, L.P.
 Highland Capital Management Latin America, L.P. (Relying Advisor)
 Highland Capital Management Multi-Strategy Insurance Dedicated Fund, L.P.
 Highland Capital Management Services, Inc.
 Highland Capital Management, L.P.
 Highland Capital Management, L.P. Charitable Fund
 Highland Capital Management, L.P. Retirement Plan and Trust
 Highland Capital of New York
 Highland Capital of New York, Inc.
 Highland Capital Real Estate Fund GP, LLC
 Highland Capital Special Allocation, LLC
 Highland CDO Opportunity Fund, L.P.
 Highland CDO Opportunity Fund, Ltd.
 Highland CDO Opportunity Master Fund, L.P.
 Highland CDO Trust
 Highland CLO 2018-1, Ltd.
 Highland CLO Assets Holdings Limited
 Highland CLO Funding, Ltd. (fka Acis Loan Funding, Ltd.)
 Highland CLO Gaming Holdings, LLC
 Highland CLO Management Ltd.
 Highland CLO Trust
 Highland Credit Opportunities CDO Asset Holdings GP, Ltd.
 Highland Credit Opportunities CDO Asset Holdings, L.P.
 Highland Credit Opportunities CDO Financing, LLC
 Highland Credit Opportunities CDO, Ltd.
 Highland Credit Opportunities Holding Corporation
 Highland Credit Opportunities Japanese Feeder Sub-Trust

Highland Credit Strategies Fund, L.P.
 Highland Credit Strategies Fund, Ltd.
 Highland Credit Strategies Holding Corporation
 Highland Credit Strategies Master Fund, L.P.
 Highland Crusader Fund
 Highland Dynamic Income Fund, L.P. (fka Highland Capital Loan Fund, L.P.)
 Highland Dynamic Income Fund, Ltd. (fka Highland Loan Fund, Ltd.)
 Highland Dynamic Income Master Fund, L.P. (fka Highland Loan Master Fund, L.P.)
 Highland Energy Holdings, LLC
 Highland Energy MLP Fund (fka Highland Energy and Materials Fund)
 Highland eSports Private Equity Fund
 Highland Fixed Income Fund
 Highland Flexible Income UCITS Fund
 Highland Floating Rate Fund
 Highland Floating Rate Opportunities Fund (fka Highland Floating Rate Opportunities Fund II)
 Highland Fund Holdings, LLC
 Highland Funds I
 Highland Funds II
 Highland Funds III
 Highland GAF Chemical Holdings, LLC
 Highland General Partner, LP
 Highland Global Allocation Fund (fka Highland Global Allocation Fund II)
 Highland GP Holdings, LLC
 Highland Healthcare Equity Income and Growth Fund
 Highland iBoxx Senior Loan ETF
 Highland Income Fund (fka Highland Floating Rate Opportunities Fund)
 Highland Legacy Limited
 Highland LF Chemical Holdings, LLC
 Highland Loan Funding V, Ltd.
 Highland Long/Short Equity Fund
 Highland Long/Short Healthcare Fund
 Highland Marcal Holding, Inc.
 Highland Merger Arbitrage Fund
 Highland Multi Strategy Credit Fund, Ltd. (fka Highland Credit Opportunities Fund, Ltd.)
 Highland Multi Strategy Credit Fund, Ltd. (fka Highland Credit Opportunities Fund, Ltd.)
 Highland Multi-Strategy Fund GP, LLC
 Highland Multi-Strategy Fund GP, LP
 Highland Multi-Strategy IDF GP, LLC
 Highland Opportunistic Credit Fund
 Highland Park CDO 1, Ltd.
 Highland Premium Energy & Materials Fund

Highland Prometheus Feeder Fund I, L.P.
 Highland Prometheus Feeder Fund II, L.P.
 Highland Prometheus Master Fund, L.P.
 Highland RCP Fund II, L.P.
 Highland RCP II GP, LLC
 Highland RCP II SLP GP, LLC
 Highland RCP II SLP, L.P.
 Highland RCP Parallel Fund II, L.P.
 Highland Restoration Capital Partners Master, L.P.
 Highland Restoration Capital Partners Offshore, L.P.
 Highland Restoration Capital Partners, L.P.
 Highland Select Equity Fund GP, L.P.
 Highland Select Equity Fund, L.P.
 Highland Small-Cap Equity Fund
 Highland Socially Responsible Equity Fund (fka Highland Premier Growth Equity Fund)
 Highland Tax-Exempt Fund
 Highland TCI Holding Company, LLC
 Highland Total Return Fund
 Highland's Roads Land Holding Company, LLC
 HMCf PB Investors, LLC
 HRT North Atlanta, LLC
 HRT Timber Creek, LLC
 HRTBH North Atlanta, LLC
 HRTBH Timber Creek, LLC
 Huber Funding LLC
 HWS Investors Holdco, LLC
 James Dondero
 Jasper CLO, Ltd.
 Jewelry Ventures I, LLC
 JMIJM, LLC
 John Honis
 Karisopolis, LLC
 Keelhaul LLC
 Kuilima Montalban Holdings, LLC
 Kuilima Resort Holdco, LLC
 KV Cameron Creek Owner, LLC
 Lakes at Renaissance Park Apartments Investors, L.P.
 Lakeside Lane, LLC
 Landmark Battleground Park II, LLC
 LAT Battleground Park, LLC
 LAT Briley Parkway, LLC
 Lauren Thedford
 Leawood RE Holdings, LLC
 Liberty Cayman Holdings, Ltd.
 Liberty CLO, Ltd.
 Long Short Equity Sub, LLC
 Longhorn Credit Funding, LLC

Lurin Real Estate Holdings V, LLC
 Mark and Pamela Okada Family Trust - Exempt Descendants' Trust
 Mark and Pamela Okada Family Trust - Exempt Trust #2
 Mark Okada
 Markham Fine Jewelers, L.P.
 Meritage Residential Partners, LLC
 ML CLO XIX Sterling (Cayman), Ltd.
 NCI Assets Holding Company LLC
 New Jersey Tissue Company Holdco, LLC (fka Marcal Paper Mills Holding Company, LLC)
 NexAnnuity Holdings, Inc.
 NexBank Capital Inc.
 NexBank Capital Trust I
 NexBank Capital, Inc.
 NexBank Land Advisors, Inc.
 NexBank Securities, Inc.
 NexBank SSB
 NexBank Title, Inc. (dba NexVantage Title Services)
 NexBank Wealth Advisors
 NexPoint Advisors GP, LLC
 NexPoint Advisors, L.P.
 NexPoint Capital Inc.
 NexPoint Capital REIT, LLC
 NexPoint Capital, Inc. (fka NexPoint Capital, LLC)
 NexPoint CR F/H DST, LLC
 NexPoint Discount Strategies Fund (fka NexPoint Discount Yield Fund)
 NexPoint Energy and Materials Opportunities Fund (fka NexPoint Energy Opportunities Fund)
 NexPoint Event-Driven Fund (fka NexPoint Merger Arbitrage Fund)
 NexPoint Flamingo DST
 NexPoint Flamingo Investment Co, LLC
 NexPoint Flamingo Leaseco, LLC
 NexPoint Flamingo Manager, LLC
 NexPoint Funds
 NexPoint Healthcare Opportunities Fund
 NexPoint Hospitality Trust
 NexPoint Hospitality, Inc.
 NexPoint Hospitality, LLC
 NexPoint Latin American Opportunities Fund
 NexPoint Legacy 22, LLC
 NexPoint Lincoln Porte Equity, LLC
 NexPoint Lincoln Porte Manager, LLC
 NexPoint Lincoln Porte, LLC (fka NREA Lincoln Porte, LLC)

NexPoint Multifamily Capital Trust, Inc. (fka
 NexPoint Multifamily Realty Trust, Inc., fka
 Highland Capital Realty Trust, Inc.)
 NexPoint Multifamily Operating Partnership,
 L.P.
 NexPoint Peoria, LLC
 NexPoint RE Finance Advisor GP, LLC
 NexPoint RE Finance Advisor, L.P.
 NexPoint Real Estate Advisors GP, LLC
 NexPoint Real Estate Advisors II, L.P.
 NexPoint Real Estate Advisors III, L.P.
 NexPoint Real Estate Advisors IV, L.P.
 NexPoint Real Estate Advisors V, L.P.
 NexPoint Real Estate Advisors VI, L.P.
 NexPoint Real Estate Advisors VII GP, LLC
 NexPoint Real Estate Advisors VII, L.P.
 NexPoint Real Estate Advisors VIII, L.P.
 NexPoint Real Estate Advisors, L.P.
 NexPoint Real Estate Capital, LLC (fka
 Highland Real Estate Capital, LLC, fka
 Highland Multifamily Credit Fund, LLC)
 NexPoint Real Estate Finance OP GP, LLC
 NexPoint Real Estate Finance Operating
 Partnership, L.P.
 NexPoint Real Estate Finance, Inc.
 NexPoint Real Estate Opportunities, LLC (fka
 Freedom REIT LLC)
 NexPoint Real Estate Partners, LLC (fka HCRE
 Partners, LLC)
 NexPoint Real Estate Strategies Fund
 NexPoint Residential Trust Inc.
 NexPoint Residential Trust Operating
 Partnership GP, LLC
 NexPoint Residential Trust Operating
 Partnership, L.P.
 NexPoint Securities, Inc. (fka Highland Capital
 Funds Distributor, Inc.) (fka Pyxis Distributors,
 Inc.)
 NexPoint Strategic Income Fund (fka NexPoint
 Opportunistic Credit Fund, fka NexPoint
 Distressed Strategies Fund)
 NexPoint Strategic Opportunities Fund (fka
 NexPoint Credit Strategies Fund)
 NexPoint Texas Multifamily Portfolio DST (fka
 NREA Southeast Portfolio Two, DST)
 NexPoint WLIF I Borrower, LLC
 NexPoint WLIF II Borrower, LLC
 NexPoint WLIF III Borrower, LLC
 NexStrat LLC
 NexVest, LLC
 NexWash LLC

NFRO REIT Sub, LLC
 NFRO TRS, LLC
 NHF CCD, Inc.
 NHT 2325 Stemmons, LLC
 NHT Beaverton TRS, LLC (fka NREA Hotel
 TRS, Inc.)
 NHT Beaverton, LLC
 NHT Bend TRS, LLC
 NHT Bend, LLC
 NHT Destin TRS, LLC
 NHT Destin, LLC
 NHT DFW Portfolio, LLC
 NHT Holdings, LLC
 NHT Intermediary, LLC
 NHT Nashville TRS, LLC
 NHT Nashville, LLC
 NHT Olympia TRS, LLC
 NHT Olympia, LLC
 NHT Operating Partnership GP, LLC
 NHT Operating Partnership II, LLC
 NHT Operating Partnership, LLC
 NHT Salem, LLC
 NHT SP Parent, LLC
 NHT SP TRS, LLC
 NHT SP, LLC
 NHT Tigard TRS, LLC
 NHT Tigard, LLC
 NHT TRS, Inc.
 NHT Uptown, LLC
 NHT Vancouver TRS, LLC
 NHT Vancouver, LLC
 NMRT TRS, Inc.
 NREA Adair DST Manager, LLC
 NREA Adair Investment Co, LLC
 NREA Adair Joint Venture, LLC
 NREA Adair Leaseco Manager, LLC
 NREA Adair Leaseco, LLC
 NREA Adair Property Manager LLC
 NREA Adair, DST
 NREA Ashley Village Investors, LLC
 NREA Cameron Creek Investors, LLC
 NREA Cityplace Hue Investors, LLC
 NREA Crossings Investors, LLC
 NREA Crossings Ridgewood Coinvestment,
 LLC (fka NREA Crossings Ridgewood
 Investors, LLC)
 NREA DST Holdings, LLC
 NREA El Camino Investors, LLC
 NREA Estates Inc.
 NREA Estates Investment Co, LLC
 NREA Estates Leaseco, LLC

NREA Estates Manager, LLC	NREA Southeast Portfolio Two, LLC
NREA Estates Property Manager, LLC	NREA SOV Investors, LLC
NREA Estates, DST	NREA Uptown TRS, LLC
NREA Gardens DST Manager, LLC	NREA VB I LLC
NREA Gardens Investment Co, LLC	NREA VB II LLC
NREA Gardens Leaseco Manager, LLC	NREA VB III LLC
NREA Gardens Leaseco, LLC	NREA VB IV LLC
NREA Gardens Property Manager, LLC	NREA VB Pledgor I LLC
NREA Gardens Springing LLC	NREA VB Pledgor II LLC
NREA Gardens Springing Manager, LLC	NREA VB Pledgor III LLC
NREA Gardens, DST	NREA VB Pledgor IV LLC
NREA Hidden Lake Investment Co, LLC	NREA VB Pledgor V LLC
NREA Hue Investors, LLC	NREA VB Pledgor VI LLC
NREA Keystone Investors, LLC	NREA VB Pledgor VII LLC
NREA Meritage Inc.	NREA VB SM, Inc.
NREA Meritage Investment Co, LLC	NREA VB V LLC
NREA Meritage Leaseco, LLC	NREA VB VI LLC
NREA Meritage Manager, LLC	NREA VB VII LLC
NREA Meritage Property Manager, LLC	NREA Vista Ridge Investment Co, LLC
NREA Meritage, DST	NREC AR Investors, LLC
NREA Oaks Investors, LLC	NREC Latitude Investors, LLC
NREA Retreat Investment Co, LLC	NREC REIT Sub, Inc.
NREA Retreat Leaseco, LLC	NREC TRS, Inc.
NREA Retreat Manager, LLC	NREC WW Investors, LLC
NREA Retreat Property Manager, LLC	NREF OP I Holdco, LLC
NREA Retreat, DST	NREF OP I SubHoldco, LLC
NREA SE One Property Manager, LLC	NREF OP I, L.P.
NREA SE Three Property Manager, LLC	NREF OP II Holdco, LLC
NREA SE Two Property Manager, LLC	NREF OP II SubHoldco, LLC
NREA SE1 Andros Isles, DST (Converted from	NREF OP II, L.P.
DK Gateway Andros, LLC)	NREF OP IV REIT Sub TRS, LLC
NREA SE1 Arborwalk, DST (Converted from	NREF OP IV REIT Sub, LLC
MAR Arborwalk, LLC)	NREF OP IV, L.P.
NREA SE1 Towne Crossing, DST (Converted	NREO NW Hospitality Mezz, LLC
from Apartment REIT Towne Crossing, LP)	NREO NW Hospitality, LLC
NREA SE1 Walker Ranch, DST (Converted	NREO Perilune, LLC
from SOF Walker Ranch Owner, L.P.)	NREO SAFStor Investors, LLC
NREA SE2 Hidden Lake, DST (Converted from	NREO TRS, Inc.
SOF Hidden Lake SA Owner, L.P.)	NRESF REIT Sub, LLC
NREA SE2 Vista Ridge, DST (Converted from	NXRT Abbington, LLC
MAR Vista Ridge, L.P.)	NXRT Atera II, LLC
NREA SE2 West Place, DST (Converted from	NXRT Atera, LLC
Landmark at West Place, LLC)	NXRT AZ2, LLC
NREA SE3 Arboleda, DST (Converted from	NXRT Barrington Mill, LLC
G&E Apartment REIT Arboleda, LLC)	NXRT Bayberry, LLC
NREA SE3 Fairways, DST (Converted from	NXRT Bella Solara, LLC
MAR Fairways, LLC)	NXRT Bella Vista, LLC
NREA SE3 Grand Oasis, DST (Converted from	NXRT Bloom, LLC
Landmark at Grand Oasis, LP)	NXRT Brandywine GP I, LLC
NREA Southeast Portfolio One, DST	NXRT Brandywine GP II, LLC
NREA Southeast Portfolio Three, DST	NXRT Brandywine LP, LLC

NXRT Brentwood Owner, LLC
 NXRT Brentwood, LLC
 NXRT Cedar Pointe Tenant, LLC
 NXRT Cedar Pointe, LLC
 NXRT Cityview, LLC
 NXRT Cornerstone, LLC
 NXRT Crestmont, LLC
 NXRT Enclave, LLC
 NXRT Glenview, LLC
 NXRT H2 TRS, LLC
 NXRT Heritage, LLC
 NXRT Hollister TRS LLC
 NXRT Hollister, LLC
 NXRT LAS 3, LLC
 NXRT Master Tenant, LLC
 NXRT Nashville Residential, LLC (fka Freedom
 Nashville Residential, LLC)
 NXRT North Dallas 3, LLC
 NXRT Old Farm, LLC
 NXRT Pembroke Owner, LLC
 NXRT Pembroke, LLC
 NXRT PHX 3, LLC
 NXRT Radbourne Lake, LLC
 NXRT Rockledge, LLC
 NXRT Sabal Palms, LLC
 NXRT SM, Inc.
 NXRT Steeplechase, LLC
 NXRT Stone Creek, LLC
 NXRT Summers Landing GP, LLC
 NXRT Summers Landing LP, LLC
 NXRT Torreyana, LLC
 NXRT Vanderbilt, LLC
 NXRT West Place, LLC
 NXRTBH AZ2, LLC
 NXRTBH Barrington Mill Owner, LLC
 NXRTBH Barrington Mill SM, Inc.
 NXRTBH Barrington Mill, LLC
 NXRTBH Bayberry, LLC
 NXRTBH Cityview, LLC
 NXRTBH Colonnade, LLC
 NXRTBH Cornerstone Owner, LLC
 NXRTBH Cornerstone SM, Inc.
 NXRTBH Cornerstone, LLC
 NXRTBH Dana Point SM, Inc.
 NXRTBH Dana Point, LLC
 NXRTBH Foothill SM, Inc.
 NXRTBH Foothill, LLC
 NXRTBH Heatherstone SM, Inc.
 NXRTBH Heatherstone, LLC
 NXRTBH Hollister Tenant, LLC
 NXRTBH Hollister, LLC

NXRTBH Madera SM, Inc.
 NXRTBH Madera, LLC
 NXRTBH McMillan, LLC
 NXRTBH North Dallas 3, LLC
 NXRTBH Old Farm II, LLC
 NXRTBH Old Farm Tenant, LLC
 NXRTBH Old Farm, LLC
 NXRTBH Radbourne Lake, LLC
 NXRTBH Rockledge, LLC
 NXRTBH Sabal Palms, LLC
 NXRTBH Steeplechase, LLC (dba Southpoint
 Reserve at Stoney Creek)-VA
 NXRTBH Stone Creek, LLC
 NXRTBH Vanderbilt, LLC
 NXRTBH Versailles SM, Inc.
 NXRTBH Versailles, LLC
 Oak Holdco, LLC
 Oaks CGC, LLC
 Okada Family Revocable Trust
 Pam Capital Funding GP Co. Ltd.
 Pam Capital Funding, L.P.
 PamCo Cayman Ltd.
 Park West 1700 Valley View Holdco, LLC
 Park West 2021 Valley View Holdco, LLC
 Park West Holdco, LLC
 Park West Portfolio Holdco, LLC
 PCMG Trading Partners XXIII, L.P.
 PDK Toys Holdco, LLC
 Pear Ridge Partners, LLC
 Penant Management GP, LLC
 PensionDanmark
 Pensionsforsikringsaktieselskab
 Perilune Aero Equity Holdings One, LLC
 PetroCap Incentive Partners II, L.P.
 PetroCap Partners II, L.P.
 PetroCap Partners III, L.P.
 Pharmacy Ventures I, LLC
 Pharmacy Ventures II, LLC
 Powderhorn, LLC
 PWM1 Holdings, LLC
 PWM1, LLC
 RADCO NREC Bay Meadows Holdings, LLC
 RADCO NREC Bay Park Holdings, LLC
 Ramarim, LLC
 Rand Advisors Series I Insurance Fund
 Rand Advisors Series II Insurance Fund
 Rand PE Fund I, L.P.
 Rand PE Fund Management LLC
 Red River CLO, Ltd.
 Red River Investors Corp.
 Riverview Partners SC, LLC

Rockwall CDO II Ltd.
 Rockwall CDO, Ltd.
 Rockwall Investors Corp.
 Rothko, Ltd.
 RTT Hollister, LLC
 RTT Rockledge, LLC
 Sandstone Pasadena Apartments, LLC
 Scott Ellington
 SE Governors Green Holdings, L.L.C. (fka SCG
 Atlas Governors Green Holdings, L.L.C.)
 SE Governors Green I, LLC
 SE Governors Green REIT, L.L.C. (fka SCG
 Atlas Governors Green REIT, L.L.C.)
 SE Governors Green, LLC (fka SCG Atlas
 Governors Green, L.L.C.)
 SE Oak Mill I Holdings, LLC (fka SCG Atlas
 Oak Mill I Holdings, L.L.C.)
 SE Oak Mill I Owner, LLC (fka SCG Atlas Oak
 Mill I, L.L.C.)
 SE Oak Mill I REIT, LLC (fka SCG Atlas Oak
 Mill I REIT, L.L.C.)
 SE Oak Mill I, LLC
 SE Oak Mill II Holdings, LLC (fka SCG Atlas
 Oak Mill II Holdings, L.L.C.)
 SE Oak Mill II Owner, LLC (fka SCG Atlas
 Oak Mill II, L.L.C.)
 SE Oak Mill II REIT, LLC (fka SCG Atlas Oak
 Mill II REIT, L.L.C.)
 SE Oak Mill II, LLC
 SE Stoney Ridge Holdings, L.L.C. (fka SCG
 Atlas Stoney Ridge Holdings, L.L.C.)
 SE Stoney Ridge I, LLC
 SE Stoney Ridge REIT, L.L.C. (fka SCG Atlas
 Stoney Ridge REIT, L.L.C.)
 SE Stoney Ridge, LLC (fka SCG Atlas Stoney
 Ridge, L.L.C.)
 SFH1, LLC
 SFR WLIF I, LLC (fka NexPoint WLIF I, LLC)
 SFR WLIF II, LLC (NexPoint WLIF II, LLC)
 SFR WLIF III, LLC (NexPoint WLIF III, LLC)
 SFR WLIF Manager, LLC (NexPoint WLIF
 Manager, LLC)
 SFR WLIF, LLC (NexPoint WLIF, LLC)
 SFR WLIF, LLC Series I
 SFR WLIF, LLC Series II
 SFR WLIF, LLC Series III
 Small Cap Equity Sub, LLC
 Socially Responsible Equity Sub, LLC
 SOF Brandywine I Owner, L.P.
 SOF Brandywine II Owner, L.P.
 SOF-X GS Owner, L.P.

Southfork Cayman Holdings, Ltd.
 Southfork CLO, Ltd.
 Specialty Financial Products Designated
 Activity Company (fka Specialty Financial
 Products Limited)
 Spiritus Life, Inc.
 SRL Whisperwod LLC
 SRL Whisperwood Member LLC
 SRL Whisperwood Venture LLC
 SSB Assets LLC
 Stonebridge PEF
 Stonebridge-Highland Healthcare Private Equity
 Fund
 Strand Advisors III, Inc.
 Strand Advisors IV, LLC
 Strand Advisors IX, LLC
 Strand Advisors V, LLC
 Strand Advisors XIII, LLC
 Strand Advisors XVI, Inc.
 Strand Advisors, Inc.
 Stratford CLO, Ltd.
 Summers Landing Apartment Investors, L.P.
 The Dugaboy Investment Trust
 The Get Good Non-Exempt Trust No. 1
 The Get Good Non-Exempt Trust No. 2
 The Get Good Trust
 The Ohio State Life Insurance Company
 The Okada Family Foundation, Inc.
 The SLHC Trust
 Thread 55, LLC
 Tranquility Lake Apartments Investors, L.P.
 Trey Parker
 Tricor Business Outsourcing
 Turtle Bay Holdings, LLC
 Tuscany Acquisition, LLC
 United States Army Air Force Exchange
 Services
 Uptown at Cityplace Condominium Association,
 Inc.
 US Gaming OpCo, LLC
 Valhalla CLO, Ltd.
 VB GP LLC
 VB Holding, LLC
 VB One, LLC
 VB OP Holdings LLC
 VBAnnex C GP, LLC
 VBAnnex C Ohio, LLC
 VBAnnex C, LP
 Vinebrook Annex B, L.P.
 Vinebrook Annex I, L.P.
 Vinebrook Homes Merger Sub II LLC

VineBrook Homes Merger Sub LLC
VineBrook Homes OP GP, LLC
VineBrook Homes Operating Partnership, L.P.
VineBrook Homes Trust, Inc.
VineBrook Partners I, L.P.
VineBrook Partners II, L.P.
VineBrook Properties, LLC
Wake LV Holdings II, Ltd.
Wake LV Holdings, Ltd.
Walter Holdco GP, LLC
Walter Holdco I, Ltd.
Walter Holdco, L.P.
Westchester CLO, Ltd.
Yellow Metal Merchants, Inc.

**Taxing & Other Governmental
Authorities**

Los Angeles County Tax Collector
State of California Franchise Tax Board
State of Delaware Division of Revenue
U.S.
U.S. Internal Revenue Service

Banks and Secured Parties

BBVA
Frontier State Bank
Jefferies, LLC Prime Brokerage Services
KeyBank National Association
The Mark and Pamela Okada Family Trust –
Exempt Trust #1

**Bankruptcy Judges – Northern District of
Texas**

Chief Judge Barbara J. Houser
Judge Harlin D. Hale
Judge Stacey G. Jernigan
Judge Edward L. Morris
Judge Mark X. Mullin
Judge Robert L. Jones

**US Trustee & Trial Attorneys – Northern
District of Texas**

Lisa Lambert
Meredyth Kippes
Stephen McKitt

Nancy Resnick
Erin Schmidt
Elizabeth Young

Notice Parties

Alvarez & Marshal CF Management, LLC
Coleman County TAD
Fannin CAD
Allen ISD
Rockwall CAD
Kaufman County
Tarrant County
Dallas County
Upshur County
Grayson County
Irving ISD
Pension Benefit Guaranty Corporation
Patrick Daugherty
Hunter Mountain Trust
Integrated Financial Associates
BET Investments, II, L.P.
Crescent TC Investors, L.P.
Intertrust Entities
CLO Entities

Schedule 2

Results of Conflicts Search

- (a) Circumstances in which Sidley has represented clients other than the Committee in matters involving the Debtor:

- (1) Before the Committee was formed, Sidley appeared on behalf of Jefferies, LLC (“Jefferies”), a creditor of the Debtor, in connection with the Debtor’s cash collateral motion (the “Cash Collateral Motion”) at the first hearing in the Chapter 11 Case. Prior to the formation of the Committee, Sidley notified Jefferies that it would no longer represent Jefferies in this matter if the Committee decided to retain Sidley as its counsel. After the Committee voted to retain Sidley on October 29, 2019, Sidley and Jefferies agreed that Sidley would no longer represent Jefferies in this matter, and Jefferies has since retained another law firm to represent its interests in the case. Sidley believes that its prior representation of Jefferies does not affect its representation of the Committee in this Chapter 11 Case. Nevertheless, out of an abundance of caution, the Sidley attorneys who advised Jefferies in connection with the Cash Collateral Motion will not be part of the team of Sidley attorneys representing the Committee in this Chapter 11 Case.

- (b) Representations by Sidley of the Debtor

Active Unrelated Representations	Former Unrelated Representations
None	None

- (c) Representations by Sidley of the Debtor’s Top 20 Unsecured Creditors

Active Unrelated Representations	Former Unrelated Representations
American Arbitration Association UBS AG, London Branch Duff & Phelps	DLA Piper LLP

- (d) Representations by Sidley of Related Professionals

Active Unrelated Representations	Former Unrelated Representations
FTI Consulting <u>Sidley represents a subsidiary or affiliate of:</u> Morrison Cohen LLP	None

- (e) Representations by Sidley of the Debtor’s Equity Holders (Direct and Indirect)

Active Unrelated Representations	Former Unrelated Representations
None	None

- (f) Representations by Sidley of the Debtor’s Affiliated Parties

Active Unrelated Representations	Former Unrelated Representations
NexBank Capital, Inc. Pershing LLC	Ohio State Life Insurance Company

(g) Representations by Sidley of Other Parties

Active Unrelated Representations	Former Unrelated Representations
Brentwood Investors Corp. Concord Management, LLC Grosvenor Capital Management, L.P FRM Investment Management	

(h) Representations by Sidley of the Debtor's Taxing and Governmental Authorities

Active Unrelated Representations	Former Unrelated Representations
Los Angeles County	None

(i) Representations by Sidley of Debtor's Banks and Secured Parties

Active Unrelated Representations	Former Unrelated Representations
Jefferies, LLC Prime Brokerage Services KeyBank National Association <u>Sidley represents a subsidiary or affiliate of:</u> BBVA	None

(j) Representations by Sidley of the Bankruptcy Court Judges and Office of the United States Trustee of the Northern District of Texas

Active Unrelated Representations	Former Unrelated Representations
None	None

(k) Representations by Sidley of the Notice Parties

Active Unrelated Representations	Former Unrelated Representations
Alvarez & Marshal CF Management, LLC <u>Sidley represents a subsidiary or affiliate of:</u> Integrated Financial Associates	None

EXHIBIT C

Felton Declaration

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,¹

Debtor.

Chapter 11

Case No. 19-34054 (SGJ)

**DECLARATION OF ERIC A. FELTON IN SUPPORT OF APPLICATION OF THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS, PURSUANT TO
SECTIONS 328 AND 1103 OF THE BANKRUPTCY CODE AND FEDERAL RULE
OF BANKRUPTCY PROCEDURE 2014 FOR AN ORDER APPROVING THE
RETENTION AND EMPLOYMENT OF SIDLEY AUSTIN LLP AS COUNSEL TO THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

I, Eric A. Felton, declare under penalty of perjury as follows:

1. I, Eric A. Felton, am a representative of the Redeemer Committee of the Highland Crusader Fund (“Redeemer”). Redeemer was elected to be the Chairperson of the Official Committee of Unsecured Creditors (the “Committee”) appointed in the above-captioned chapter 11 proceeding (the “Chapter 11 Case”). I am authorized to submit this declaration (the “Declaration”) in support of the *Application of the Official Committee of Unsecured Creditors, Pursuant to Sections 328 and 1103 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedures 2014 for an Order Approving the Retention and Employment of Sidley Austin LLP as Counsel to the Official Committee of Unsecured Creditors* (the “Application”)² on behalf of the Committee.

¹ The Debtor’s last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

The Committee's Selection of Sidley as Counsel

2. On October 29, 2019, the Office of the U.S. Trustee appointed the Committee pursuant to section 1102 of the Bankruptcy Code. The Committee consists of the following four (4) members: (i) Redeemer Committee of Highland Crusader Fund; (ii) Meta-e Discovery; (iii) UBS Securities LLC and UBS AG London Branch; and (iv) Acis Capital Management, L.P. and Acis Capital Management GP, LLP.

3. At a meeting held on October 29, 2019, the Committee, among other things, voted to retain Sidley as its counsel, subject to Court approval. The Committee selected Sidley as its counsel after interviewing four (4) other law firms.

4. The Committee believes that Sidley's extensive experience in corporate reorganizations, both out of court and under chapter 11 of the Bankruptcy Code, makes it well qualified to represent the Committee in this Chapter 11 Case in an efficient and timely manner.

Rate Structure

5. Sidley has informed the Committee that its rates for bankruptcy representations are consistent with and comparable to the rates Sidley charges for non-bankruptcy representations. Sidley has informed the Committee that its current hourly rates apply to non-bankruptcy services, if any, provided by the Firm, unless a contingent fee, mixed contingent fee, flat fee, or blended rate arrangement is agreed upon.

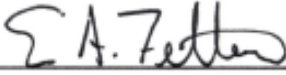
Cost Supervision

6. The Committee will approve any prospective budget and staffing plan provided by Sidley, recognizing that, in the course of large chapter 11 cases like this Chapter 11 Case, it is possible that there may be a number of unforeseen fees and expenses that will need to be addressed by the Committee and Sidley. I further recognize that it is the Committee's responsibility to closely monitor the billing practices of its professionals to ensure the fees and expenses paid by

the estate remain consistent with the Committee's expectations and the exigencies of the Chapter 11 Case. The Committee will review the invoices that Sidley regularly submits, and, together with Sidley, periodically amend any budget and staffing plans, as the case develops.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Date: December 6, 2019

By: 
Eric A. Felton, in his capacity as a
representative of the Redeemer Committee of
the Highland Crusader Fund